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**Human Resource  
Management**

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# HB 104 Employee Town Halls

DHRM  
April 2022

# HB 104

## The 'Performance Management Bill'



# Why Are We All Here?

## HB 104 “State Employment Amendments”

- Passed in 2022 Legislative Session & signed by Governor Cox

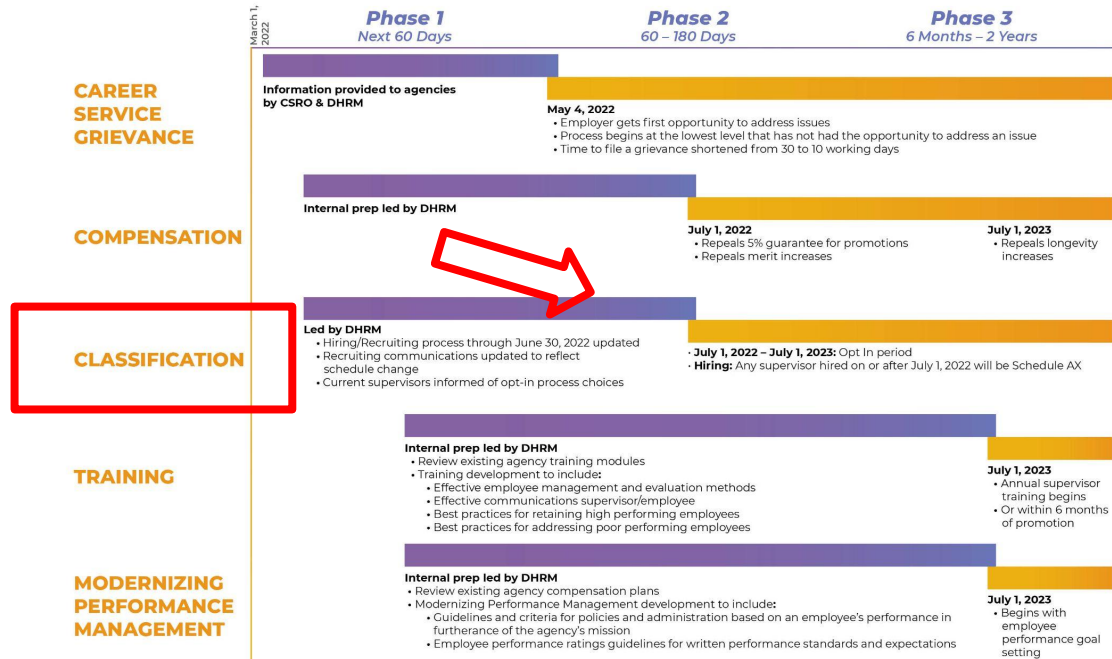
5 substantial components of HB 104 (all w/ different effective dates)

1. Career Service Grievance Process
2. Compensation Policy Updates
3. Schedule AX Classification
4. Manager Training
5. Modernizing Performance Management



# Timeline and Roll Out

## Performance Management Roll-out: A Phased Approach



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# Why Were YOU Specifically Invited Here?

You currently qualify for the opt-in conversation

Why did I qualify?

- Career service employee and position
- Regular supervision and evaluation of one or more employees
- No exception required\*



*\*exception process for certain federally funded positions completed*

# What You Need To Know?

1. Conversion to schedule AX/career service exempt is optional
2. There is an incentive
3. Opt-in period begins July 1, 2022 (ends June 30, 2023)
4. Must complete and submit form by June 30, 2023



# How Will I Opt In?

Before July 1, 2022:

- Written electronic communication and process for opting in will be delivered directly to you
- Questions should be directed to your field HR team



# What Changes For Me?

## If I elect to opt-in

- ▷ 5% incentive (after written acceptance complete)
- ▷ You move from career service status to career service exempt
- ▷ Position will move to schedule AX (career service exempt)

## If I elect to NOT opt-in

- ▷ Retain career service status
- ▷ No Incentive given
- ▷ Position will move to schedule AX (career service exempt) - but you will stay career service (schedule B)

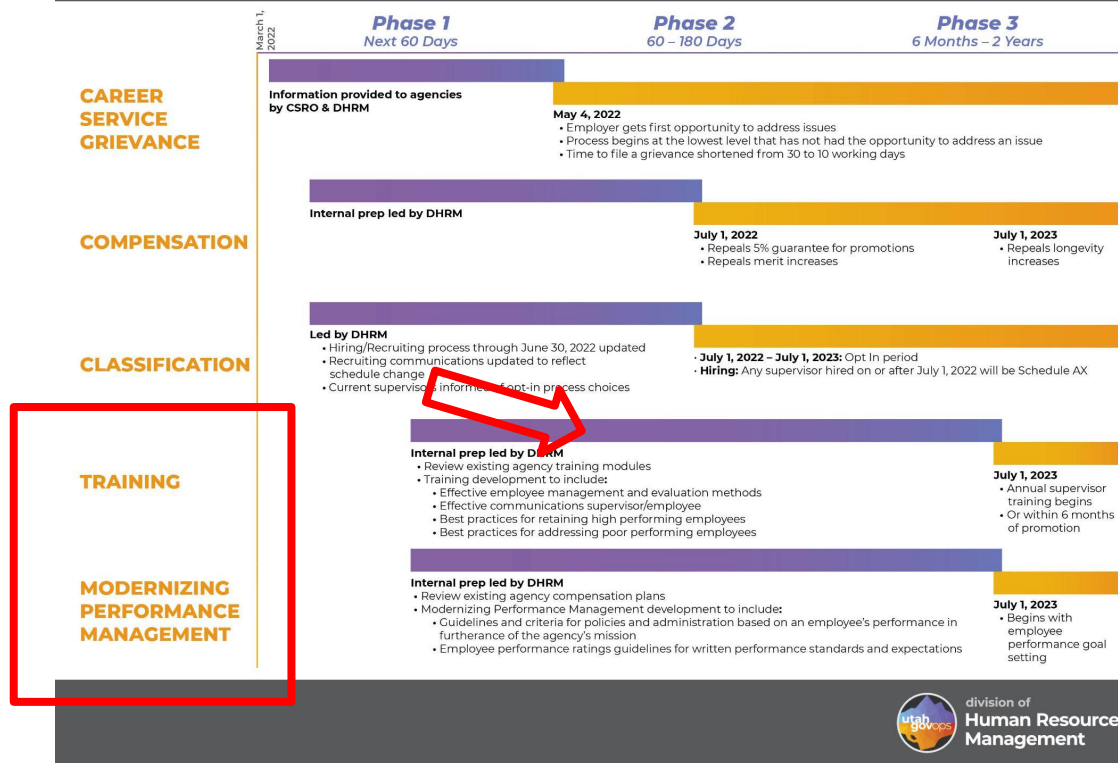




Questions?

# What Else Is Coming?

## Performance Management Roll-out: A Phased Approach



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# Clarification of additional HB 104 requirements

Regardless of schedule code or opt-in:

1. Required annual manager training (July 2023)
2. Performance Management tied to compensation (July 2023)
  - For you as a supervisor
  - For you as a direct report
3. Compensation policy
  - Repealing legislatively granted merit increases/mandatory 5% promotion increase (July 2022)
  - Repeals longevity (July 2023)



# On Its Way: Required Manager Training

- ▷ By July 1, 2023:
- ▷ To be compliant, training must contain the following elements:
  - Effective employee management and evaluation methods based on the pay for performance management system
  - Instruction to improve supervisor and employee communications
  - Best practices for recognizing and retaining high-performing employees
  - Best practices for addressing poor-performing employees
- ▷ After review in summer 2022, DHRM intends to deliver:
  - On-line, self-paced course on performance management/pay for performance concepts:
  - Fall 2022 (required to be taken by all supervisors *before* July 1, 2023)
  - Tracked in the LMS
  - *Current agency training may fulfill the requirements*



# On Its Way: Required Performance Mgmt

- ▷ Starting July 1, 2023:
- ▷ “What” the bill requires:
  - Goal setting (“well defined plan before work begins”)
  - Evaluation of performance (“measurement procedures are in place”)
  - Reward for meeting or exceeding goal(s) (“specific incentives”)
- ▷ “How” the bill requires it:
  - Clear agency policy
  - Goal setting:
    - A defined written plan with standards and expectations
  - Evaluation of performance
    - Quarterly written evaluation
    - Ongoing supervisor verbal and written feedback
    - Employee performance ratings
  - Reward
    - Salary moves with employee performance



# On Its Way: A Modern System For A Modern Workforce

- ▶ 3 year project led by Government Operations
  - Gov Ops
  - Technology Services
  - Human Resources
  - Agency leadership
- ▶ Targeting 2024 replacing
  - UPM
  - Payroll
  - Most systems tied to HR



## **HUMAN CAPITAL MANAGEMENT PORTAL**

**Gov. Spencer J. Cox**  
**FY 23 Budget Recommendation**  
**3-year plan approved by legislature**

Questions?



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Thank You



# Phase 2: Required Performance Mgmt- What and How Example



S	Customer Service
	Public Service
	Peer-to-Peer Service
E	Purpose & Meaning
	Empowerment
	Belonging
A	Results
	Clarity
	Growth
T	Transparency
	Integrity
	Credibility

